

Attention Truckers...



**No Dyed Fuel & No Illegally Blended Fuel
in Highway Vehicles!**

**Report violations online or contact
the Arizona Department of Transportation Fuel Fraud Hotline at:**

1-877-AZFuels (1-877-293-8357)

Arizona Department of Transportation, Motor Vehicle Division

(April 2003)

Illegal/untaxed fuel is everyone's problem!

It damages vehicle engines...

...Gives violators an unfair price advantage.

...Pollutes air and soil due to high sulphur content.

...Robs funding intended for road construction.

If you are aware of attempts to:

- use red-dyed fuel on the road
- blend waste products or other untaxed products with fuel
- bootleg fuel into AZ without paying AZ fuel tax
- file false claims for refunds of fuel taxes
- otherwise evade fuel taxes...

Report the information online, or call the Arizona Department of Transportation Fuel Fraud Hotline at **1-877-AZFuels (1-877-293-8357)**.

Frequently asked questions

Why is fuel dyed red?

- 1.** To help reduce tax evasion by identifying fuel on which excise taxes have not been paid.
- 2.** To reduce air pollution by identifying fuel not suitable for use in highway vehicles.

Can dyed fuel ever be used on highways in Arizona?

It is illegal for a person to operate or maintain a motor vehicle on any highway in Arizona if the use fuel contained in the fuel supply tank contains dye. The only exceptions are certain federally exempt motor vehicles (qualified school buses and local buses – see ARS 28-5649). A purchaser of dyed fuel for use in these federally exempt vehicles must provide a written statement to the seller of the fuel and to the department stating they are a qualified purchaser and that the fuel will only be used in such exempt vehicles.

What is a "highway"?

A.R.S. 28-5601 defines "highway" as any way or place of whatever nature that is maintained by public monies and that is open to the use of the public for purposes of vehicular travel, including a highway under construction.

In what equipment can dyed fuel be used off-highway?

Dyed fuel can be used off-highway in equipment that is not registered (and not required to be registered) as a motor vehicle in Arizona. (See ARS 28-5606, 5610, 5615, 5645, 5649)

What about fuel to power refrigeration units or other equipment?

Dyed fuel may be used as long as it is stored in a separate tank not connected with the tank containing fuel to power the vehicle.

What if I find dyed fuel in my vehicle?

Contact our office at **1-877-AZFuels (1-877-293-8357)**. If possible, you should drain the fuel immediately or risk incurring substantial penalties. Be sure you dispose of the fuel in accordance with all applicable environmental laws.

What is illegally blended fuel?

Illegally blended fuel, sometimes referred to as cocktailed fuel, results when an unscrupulous fuel dealer/user blends waste products, "stale" fuel, or other untaxed products with taxed fuel in order to evade fuel taxes.

What is the driver's responsibility regarding dyed or other illegal fuels?

The vehicle operator is responsible for the proper fueling of the vehicle, and must be alert for any suspicious activity. Any visible presence of dye in the diesel fuel disqualifies that product from use in a highway vehicle, as does the presence of other untaxed product. Be aware that mixing dyed fuel (or other illegal product) with undyed/taxed fuel will not produce a larger volume of usable product, but will instead make the whole quantity unsuitable for highway use and subject to penalties.

Watch for...



Visible evidence of dye.

Never allow unattended fueling of your vehicle. Watch the fueling operation, and look at the fuel if sight glasses are available on the fueling hose. Consider carrying a clean, clear, plastic container or tube so you can sample if you have any doubts.

Altered pump labels.

Arizona and federal law require that any retail pump dispensing dyed fuel be labeled as:

"DYED DIESEL FUEL, NONTAXABLE USE ONLY. PENALTY FOR TAXABLE USE."

Do not put fuel from such a pump in any highway vehicle!

Poor engine performance.

Poor engine performance (or damage) that your mechanic determines may have resulted from poor quality fuel. Keep any records indicating where such fuel may have been purchased.

Significantly discounted prices.

Discounted prices or other creative rebates that do not appear credible. Deal only with trustworthy companies that you know from experience or reputation.

Altered or incomplete receipts.

Receipts that do not identify the seller's name and address, the date of the purchase, the number of gallons and type of fuel, and the price per gallon. The State tax rate per gallon (currently \$.26 for use class vehicles, and \$.18 for light class vehicles) must be stated on a decal placed on the fuel dispenser. Keep your receipts. You may be able to claim a credit for taxed fuel used for a non-taxable purpose, such as in a refrigeration unit.

Penalties for violations

Arizona statute prescribes both civil and criminal penalties for violations of the fuel tax laws (including those cited herein), and related offenses. Civil penalties are in addition to any taxes and interest due, and may include a penalty of 50% of the tax assessed if any part of the deficiency is due to fraud.

Criminal violations include those involving fuel tax evasion; impeding or obstructing enforcement of the laws; illegally using (or assisting another in using) dyed fuel on a highway; attempting to remove or alter the strength or composition of dye contained in fuel; and the filing of false statements or reports, including false claims for tax refunds. Willful violations may result in imprisonment.

To report violations

If you observe violations or have suspicions that violations have occurred, you may *report them online*, or call the Arizona Department of Transportation's Fuel Fraud Hotline at:
1-877-AzFuels (1-877-293-8357).

Note:

This information is provided to inform the reader of general requirements in the areas addressed. It is not intended to be referenced as legal authority for taking any action or position, nor is it intended to set forth the legal position of the State of Arizona in specific cases, which must be considered individually based on all facts and circumstances. Readers should thoroughly review all applicable statutes, and consult counsel as appropriate, before taking any action or position.

